



Frank O'Bannon, Governor
Alan D. Degner, Commissioner

Dept. of Workforce Development
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An Equal Opportunity Employer

TO: Chief Elected Officials
WIB Chairs
WIB Directors
Fiscal Agents

FROM: Alan D. Degner
Commissioner

DATE: August 8, 2003

SUBJ: DWD Commissioner's Directive 2003 – 02
Reed Act Grant for Program Year 2003

RE: Use of Reed Act funds

Purpose:

The purpose of this communication is to provide guidelines for the development of a narrative plan and budget for local use of the Reed Act funds appropriated to Workforce Investment Boards (2003 HEA 1001) for the administration of Indiana's WorkOne offices.

Rescissions:

None

Content:

The guidelines and documents necessary for the development of the narrative and budget are attached. A grant package is also attached for completion and submission to DWD.

Action:

The guidelines contained in this Commissioner's Directive are to be followed in preparing the Reed Act narrative and budget. Please complete and return the completed items no later than the close of business, Friday, August 29, 2003.

A.) Requirements for Submission

The Workforce Investment Board (WIB) must submit a detailed narrative plan and line item budget, signed by the WIB Chair, Chief Elected Official, and WIB Director, that clearly outlines the intended use of the Reed Act funds allocated to

the local area. Each WIB should also submit all necessary documentation required in the attached grant package.

The narrative outline should follow the allowable activities outlined by Training and Employment Guidance Letter (TEGL) No. 24-01, TEGL No 18-01, Section 7(a and 7(b of the Wagner-Peyser Act, 20 CFR 652.207 and 208, 646 IAC 2-1-19, all applicable state law and administrative rules, and other appropriate references.

This narrative plan must clearly indicate how each Workforce Service Area will use the Reed Act funds to support the existing WorkOne System. This plan will be submitted to DWD for review and approval. Full approval of a plan must be granted before any funds are eligible for expenditure. Each WIB will be notified in writing of the approval of their plan. No funds are eligible for expenditure before October 1, 2003 or before full approval of the WIB plan, whichever is later.

Appropriate cost-sharing principals must be followed on all expenditures. Related documentation may be requested to determine appropriateness of cost-sharing agreements.

Uses of the funds must not be duplicative or supplant state activities. Proposed activities also must not interfere with the state plan for Wagner-Peyser activities as outlined in the Indiana United Strategic Five-Year Plan for Wagner-Peyser. This plan can be found at the following Internet address:
http://www.in.gov/dwd/workforce_serv/wia/plan/index.html

The use of local staff to provide Wagner-Peyser functions must be in accordance with Indiana Code 646 IAC 2-1-19.

Maintenance of effort for all planned activities should also be outlined.

All required plans and completed grant packages should be submitted to:

Russell Brown, Director of Policy
Indiana Department of Workforce Development
10 North Senate
Indianapolis, Indiana 46204-2277

FAX (317) 233-6081

B.) Allowable Activities as outlined by TEGL 24-01

The U.S. Department of Labor released TEGL No. 24-01 on May 8, 2002 providing Suggested Uses of Reed Act Distribution for Administrative Purposes. Section e of the referenced TEGL provides the following guidelines:

- e. One-Stop Administration. States should consider using a portion of their share for One-Stop administration. In general, Reed Act funds may be used in the same manner that Wagner-Peyser Act funds are used to support One Stop systems. Examples of activities that support administration and service delivery of employment and workforce information services in One-Stop Career Centers include:
 - Staff for delivery of appropriate self-services, facilitated self-help and staff assisted services in accordance with 20 CFR 652.207 and 208;
 - Equipment and resources for resource rooms;
 - Staff for delivery of reemployment services to UI claimants, including group job search assistance and staff-assisted referrals to jobs;
 - Payment for rent, utilities and maintenance of facilities, including common spaces such as resource rooms, reception areas, conference areas, etc., in accordance with cost sharing guidelines;
 - Shared costs for operation of local One-Stop Career Center, including payment for One-Stop operators in accordance with cost sharing guidelines;
 - Development of products that support service delivery such as workforce information products and job bank technology;
 - Computer equipment, network equipment, telecommunications equipment, application development, and other technology resources, including assisted technology, that support employment and workforce information service delivery;
 - Outreach and educational materials targeted at users of One-Stop employment and workforce information services;
 - Training, technical assistance, and professional development of staff who deliver employment and workforce information services;
 - Improving access for individuals with disabilities, including remodeling or retrofitting One-Stop Career Centers (improvements made in leased property must be in accordance with all appropriate federal guidelines) or purchasing appropriate software, hardware, furniture and supplies (for example, Braille readers);
 - Improving access for individuals with limited English proficiency, including language line services development of forms, automated voice messages, etc., in languages other an English.

In accordance with the TEGl the Department of Labor One-Stop Comprehensive Financial Management Technical Assistance Guide should be used as a guideline.

Effective Date:

Immediately

Ending Date:

September 30, 2005

Ownership:

DWD Policy and Planning

If you have any questions concerning this communication contact Russell Brown at 317/232-7595.

Attachment:

Reed Act grant package (Attachment A)

Allocation amount, by Workforce Service Area (Attachment B)

Grant Instructions

I. General Instructions:

- A. Documents required for the grant package are listed on the first page of the grant agreement. Two complete packages with original signatures on one, must be submitted to the Department of Workforce Development.

Documents may be hand delivered or mailed to:

Russell Brown, Director of Policy
Indiana Department of Workforce Development
10 North Senate Ave.
Indianapolis, Indiana 46204

- B. Do not staple, bind or hole punch documents in any manner. Use large paper clips or place them securely in a folder.
- C. Complete appropriate blanks and assemble documents in the order of Exhibits after the boilerplate. The blank forms provided may be photocopied if additional copies are required.
- D. Consecutive page numbering is to be completed on the top of the reverse side of each page. The back of the first page of the agreement will be "page 1 of __", etc. Numbering pages in this manner allows us to make any necessary changes that affect the page numbering sequence.

II. Grant Agreement:

- A. Enter your grant number as RA-3- (customer number). The grant number will be used as an identifier on reports, correspondence, closeouts and audits during and after the grant period.

In the first paragraph enter the full legal name of the Grant Recipient (Chief Elected Official for the (WIB Name)).

In 3 enter the entire amount of the grant.

In 26, enter the Grant Recipient's name and address for Notices and Payments.

- B. Signature Page: An original signature of the authorized signatory of the grant is necessary on the one original document.
- C. Project Statement: The following statement has been included as EXHIBIT B:
The Grantee assures that grant funds will be used in accordance with the local Reed Act Plan that is approved by the Indiana Department of Workforce Development.
- D. Budget: Enter your grant number. This budget is in addition to the line item budget required in your local Reed Act plan. This is EXHIBIT C.

**GRANT FOR THE PROVISION
OF EMPLOYMENT AND TRAINING SERVICES**

GRANT NO._____

This Grant Agreement, entered into by and between the Indiana Department of Workforce Development (“IDWD”) for and on behalf of the State of Indiana (hereinafter the “State”) and the _____ (hereinafter the “Grantee”) is executed pursuant IC 22-4-18-1(b)(4) and the terms and conditions set forth herein. In consideration of those mutual undertakings and covenants, the parties agree as follows:

1) Purpose of and Liability for the Grant:

- (a) The applicable federal and state statutes, rules and regulations, as the same may be amended from time to time, for the Grant funds are set forth in Exhibit A, attached hereto and incorporated fully herein. This Grant shall be used exclusively in accordance with the provisions contained in this Grant Agreement, and in the applicable federal and state statutes, rules and regulations. The purpose of this Grant Agreement is to implement the employment and training programs and/or services described in the Project Statement, attached hereto as Exhibit B, and incorporated fully herein (the “Project” or the “Project Statement”). The funding source to support this Grant is funds made available pursuant to Section 903 of the Social Security Act as amended by Section 209 of the Temporary Extended Unemployment Compensation Act of 2002 (which is Title II of the federal Jobs Creation and Workers Assistance Act of 2002, Pub.L107-147) and appropriated pursuant to Indiana House Enrolled Act 1001.
- (b) To the extent that funding for this Grant originates in whole or in part from Workforce Investment Act funds, in accordance with 29 USC 2832(d)(3)(B)(i)(1) and IC 22-4.5-6, the chief elected official (as defined in IC 22-4.5-2-2) shall serve as the grant recipient for youth, adult and dislocated worker funds under Title I of the Workforce Investment Act funds allocated to the local area. The chief elected official may designate a fiscal agent, but may not designate or assign liability to any other entity for such funds distributed by the fiscal agent, and shall be liable for any misuse of the Grant funds.

2) **Term:** The term of this Grant Agreement shall be from October 1, 2003 until September 30, 2005 (the “Expiration Date”). In no event shall payments be made for work done or services performed after the Expiration Date. The Grantee may request in writing that the Expiration Date only of this Grant Agreement be extended. Such request may be approved in writing by a duly authorized representative of the State. If the Expiration Date is extended, all other provisions of this Grant Agreement shall remain in full force and effect.

3) **Budget:** The Project Budget is set forth in Exhibit C, attached hereto and incorporated fully herein (the “Budget”). Maximum payment, on a cost reimbursement basis, is limited to the lesser of:

- (a) \$_____, as specified in the Budget; or

- (b) The actual cost of performing the Project described in this Grant Agreement and the Project Statement.

4) Design and Implementation of Project/Assurances: The Grantee shall be solely responsible for the proper design and implementation of the Project, as described in the Project Statement and in accordance with the terms and conditions of this Grant Agreement. In this regard, Grantee makes the following assurances:

- (a) The Grantee shall modify the Project services as directed by the State in the event statutes or regulations require such modification; and
- (b) The Grantee shall comply with all applicable policy and directives issued by the State; and
- (c) The Grantee represents and warrants that it has a current Cost Allocation Plan. A Cost Allocation Plan is current when it addresses an entity-wide allocation of all funds awarded to the Grantee by the State and received from separate funding sources.

5) Establishment and Maintenance of Records, Cost Documentation, Reports and Inspections: The Grantee shall utilize fiscal control and accounting procedures that permit the preparation of all required reports and the tracing of expenditures adequate to establish compliance with all applicable requirements. The Grantee shall prepare required reports that are uniform in definition, reasonably accessible and comprehensible to all authorized parties, verifiable for monitoring, reporting, audit and evaluation purposes, and in accordance with the specifications of the Statewide Management Information System as set forth by the State.

6) Retention of Records. The Grantee shall retain and make available all financial records, supporting documentation, statistical records, evaluation data, member information and personnel records for three (3) years from the final Expiration Date of this Grant Agreement. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 3-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular 3-year period, whichever is later.

7) Monitoring and Compliance: The State shall monitor the Grantee's compliance with the terms and conditions of this Grant Agreement, including all applicable statutes, regulations, directives and mandates. The Grantee shall provide the State reasonable and adequate opportunity to conduct this monitoring, including providing the opportunity to review and audit all relevant documents, forms, reports or any other records at any time during the term of this Grant Agreement and after the Expiration Date as may be reasonably necessary to monitor compliance with this Grant Agreement. The Grantee will be responsible for on-site monitoring of any sub-recipient.

8) Audits: The Grantee shall produce all accounting books, bills, vouchers, documentation and records relating to this Grant Agreement to the auditor(s) selected by the Grantee to audit this Grant. The Grantee shall submit the auditor's report to the State within the earlier of 30 days after receipt of the auditor's report, or nine (9) months after the end of the audit period. The Grantee will be responsible

for selecting the auditor(s) to audit of any subrecipient. The State will retain responsibility for audit resolution.

9) **Authority to Bind Grantee:** This Grant Agreement must be signed by the chief executive officer, president, superintendent, owner, or partner of the Grantee's organization or his/her designee. If a designee signs this Grant Agreement, the Grantee must file a letter with the State from the CEO, president, superintendent, owner or partner, or a corporate resolution, or a copy of corporate bylaws authorizing that individual (by name and by title) to sign grants. Notwithstanding anything in this Grant Agreement to the contrary, the signatory for the Grantee represents that he/she has been duly authorized to execute this Grant Agreement on behalf of the Grantee and has obtained all necessary or applicable approval from the Grantee to make this Grant Agreement fully binding upon the Grantee when his/her signature is affixed.

10) **Payment of Grant Funds by the State:** The payment of Grant funds by the State to the Grantee shall be made in accordance with the following schedule and conditions:

- (a) This Grant Agreement must be fully executed.
- (b) No funds that are transferred under this Grant Agreement shall be disbursed by the Grantee to another person to act as its agent or employee in performing the terms and conditions of this Grant Agreement without a written financial grant between the Grantee and that person. This sub-grantee shall reserve the right of the Grantee not to honor request for payments received more that 60 days after the Expiration Date.
- (c) All payments by the State to the Grantee for services rendered pursuant to this Grant Agreement shall be made on an accrual (reimbursement) basis and shall be accompanied with financial reports that are required by the State. No cost shall be accrued prior to the starting date of this Grant.
- (d) All payments by the State are subject to the encumbrance of monies, to the prohibition against advance payments under IC 4-13-2-20, and to all of the State's fiscal policies and procedures.
- (e) The State reserves the right not to honor requests for payment received more than 90 days after the Expiration Date. The State also reserves the right to withhold final payment until agency-required reports are received and accepted.
- (f) Failure to complete the Project and expend the funds in accordance with this Grant Agreement may be considered a material breach of this Grant Agreement and shall entitle the State to impose sanctions against the Grantee including, but not limited to, suspension of all grant programs until such time as all material breaches are cured to the State's satisfaction. Sanctions may also include repayment of all funds expended for activities which are not in the scope of the Project or the Budget. The remedies described in this subparagraph are in addition to any other remedies the State may have at law or equity.

11) **Compliance With Laws:** The Grantee agrees to comply with all applicable federal, state, and local laws, rules, regulations, or ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of regulations thereunder after execution of this Grant Agreement shall be reviewed by the State and the Grantee to determine whether the provisions of this Grant Agreement require formal modification.

12) **Conflict of Interest:**

(a) As used in this section:

“Immediate family” means the spouse and the unemancipated children of an individual.

“Interested Party” means:

(1) The individual executing this Grant;

(2) An individual who has an interest of three percent (3%) or more of Grantee, if Grantee is not an individual; or

(3) Any member of the immediate family of an individual specified under subdivision 1 or 2.

“Department” means the Indiana Department of Administration.

“Commission” means the State Ethics Commission.

(b) The Department may cancel this Grant Agreement without recourse by Grantee if any interested party is an employee of the State of Indiana.

(c) The Department will not exercise its right of cancellation under section (b), above, if Grantee gives the Department an opinion by the Commission indicating that the existence of this Grant Agreement and the employment by the State of Indiana of the interested party does not violate any statute or code relating to ethical conduct of state employees. The Department may take action, including cancellation of this Grant Agreement, consistent with an opinion of the Commission obtained under this section.

(d) Grantee has an affirmative obligation under this Grant Agreement to disclose to the Department when an interested party is or becomes an employee of the State of Indiana. The obligation under this section extends only to those facts that Grantee knows or reasonably could know.

13) **Confidentiality:** The Grantee shall abide by all applicable statutes, regulations, directives and mandates to protect the privacy rights and interests of individuals who apply for employment and training and related services. The Grantee shall abide by the provisions of IC 22-4-19-6 and IC 4-1-6, *et seq.* Grantee recognizes that it is subject to the penalties for disclosure of protected information under IC 5-14-3-10.

14) **Debarment and Suspension:** Grantee certifies, by entering into this Grant Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Grant Agreement by any federal agency or department, or any agency or political subdivision of the State of Indiana. The term “principal” for purposes of this Grant Agreement is defined as an officer, director, owner, partner, key employee, or other person with

primary management or supervisory responsibilities, or a person who has a critical influence on, or substantive control over, the operations of Grantee.

15) Drug-Free Workplace Certification: The Grantee hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. Grantee will give written notice to the State within ten (10) days after receiving actual notice that an employee has been convicted of a criminal drug violation occurring in Grantee's or any sub-Grantee's workplace.

False certification or violation of the certification may result in sanctions including, but not limited to, suspension of Grant payments, termination of the Grant Agreement and/or debarment of grant opportunities with the State of Indiana for up to three (3) years.

In addition to the provisions of the above paragraphs, if the total Grant amount set forth in this Grant Agreement is in excess of \$25,000.00, Grantee hereby further agrees that this Grant Agreement is expressly subject to the terms, conditions and representations of the following Certification:

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. Pursuant to its delegated authority, the Indiana Department of Administration is requiring the inclusion of this certification in all Grants with and grants from the State of Indiana in excess of \$25,000.00. No award of a grant shall be made, and no grant, purchase order or agreement, the total amount of which exceeds \$25,000.00, shall be valid, unless and until this certification has been fully executed by the Grantee and made a part of this Grant Agreement.

The Grantee certifies and agrees that it will provide a drug-free workplace by:

- a) Publishing and providing to all of its employees a statement notifying their employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Grantee's workplace and specifying the actions that will be taken against employees for violations of such prohibition; and
- b) Establishing a drug-free awareness program to inform their employees of (1) the dangers of drug abuse in the workplace; (2) the Grantee's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation, and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace.
- c) Notifying all employees in the statement required by subparagraph (a) above that as a condition of continued employment the employee will (1) abide by the terms of the statement; and (2) notify the Grantee of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- d) Notifying in writing the State within ten (10) days after receiving notice from an employee under subdivision (c)(2) above, or otherwise receiving actual notice of such conviction;

- e) Within thirty (30) days after receiving notice under subdivision (c)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) take appropriate personnel action against the employee, up to and including termination; or (2) require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency; and
- f) Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (a) through (e) above.

16) Funding Cancellation: When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of a grant, this Grant Agreement shall be canceled. A determination by the Budget Director that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

17) General Assurances and Certifications: The Grantee certifies that in connection with the activities undertaken pursuant to this Grant:

- (a) No funds made available under this Grant Agreement shall be used to promote religious or anti-religious activities, or used for lobbying activities in violation of 18 U.S.C. 1913, or used for political activities in violation of 5 U.S.C. 1501 to 1508.
- (b) It will establish safeguards adequate to prohibit employees or other persons from using their position with the Grantee for improper private gain for themselves or others. The Grantee will adopt corporate bylaws that establish procedures to avoid improper conflicts of interest.
- (c) It will maintain an affirmative action plan, written personnel policies, and grievance procedures for complaints and grievances from applicants, participants and beneficiaries, subcontractors, employers, employees and other interested persons, all in accordance with all applicable statutes and regulations.
- (d) It is an equal opportunity employer and shall comply with Equal Employment Opportunity Commission practices as mandated by state and federal statutes and regulations.

18) Governing Laws: This Grant Agreement shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

19) Indemnification: The Grantee agrees to indemnify, defend, and hold harmless the State of Indiana and its agents, officers, and employees from all claims and suits, including court costs, attorneys' fees, and other expenses caused by any act or omission of the Grantee or its agent, if any. The State shall not provide such indemnification to the Grantee. If Grantee is a department, division or agency of the State of Indiana, the above indemnification provision is inapplicable.

20) **Independent Contractor:** Both parties hereto, in the performance of this Grant, will be acting in an individual capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume any liability for any injury (including death) to any persons, or any damage to any property arising out of the acts or omissions of the agents, employees, or subcontractors of the other party. The Grantee shall be responsible for providing all necessary unemployment and workers' compensation insurance for its employees.

21) **Insurance and Bonding:**

- (a) Grantee shall, at its sole cost and expense, provide comprehensive and general public liability insurance against claims for personal injury, death or property damage occurring in connection with the Project. The limits of such insurance shall not be less than \$300,000 combined single limit per occurrence, \$500,000 aggregate, and shall contain a deductible clause not greater than Ten Thousand Dollars (\$10,000). All insurance required hereunder shall be with a responsible carrier acceptable to the State, shall name the State as an additional insured, and shall also contain a provision for at least ten (10) days' notice to the State of cancellation. Grantee shall provide the State with a Certificate evidencing such insurance prior to the release of any Grant funds. Failure to maintain such insurance shall result in the termination of this Grant.
- (b) The Grantee shall provide a fidelity bond in the amount of (i) \$100,000, or (ii) the highest single total disbursement planned pursuant to this Grant Agreement and all other State contracts or grants outstanding to Grantee, whichever is higher, and covering all persons responsible for or handling funds received or disbursed under this Grant. This bond must show the State of Indiana as the obligee. It shall be the Grantee's responsibility to see that all persons handling funds under this Grant Agreement are bondable. Failure to provide such evidence to the State shall result in termination of this Grant Agreement and any funds awarded hereunder. Pursuant to Indiana Code 4-13-2-20(i), such security shall not be required if the Grantee is a school corporation (as defined in IC 20-10.1-1-1), or a state educational institution (as defined in IC 20-12-0.5-1).
- (c) If Grantee is a department, division or agency of the State of Indiana, or of a county, municipal or local government, the foregoing insurance coverages shall not be required; however, Grantee may elect to provide such coverages.

22) **Licensing Standards:** Grantee, its employees and any subgrantees shall comply with all applicable licensing, certification or accrediting standards and any other laws and regulations governing the services to be provided pursuant to this Grant Agreement. If licensure, certification or accreditation expires or is revoked, Grantee shall immediately notify the State.

23) **Minority Business Enterprise:** In accordance with IC 4-13-16.5-2(f)(7), the State has established a goal of 5% participation by minority business in state contracts. The Grantee is encouraged to make a good faith effort to contract with minority business as defined in IC 4-13-16.5-1.

24) **Modification:** The State and the Grantee shall modify or extend this Grant Agreement consistent with applicable law and IDWD policy. Such modification or extension shall be made by mutual written agreement of the parties and subsequent approval by all appropriate state officials or their designees.

The State and the Grantee further agree that either party shall be able to suggest system and administrative changes, notwithstanding any other provision of this Grant, in the following manner:

- (a) by written agreement, signed by the State and the Grantee, for any such change to this Grant Agreement that does not affect the period of performance, price, scope of work, budget or other provisions of this Grant.
- (b) The Grantee covenants that, while it is authorized to make budget adjustments within cost categories so long as the adjusted cost category amount continues to meet any maximum/minimum limitations, it will submit a letter modification to this Grant Agreement if the adjustment to a cost category is (+) or (-) 15 % of the amount budgeted.

25) **Nondiscrimination:** Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, Grantee and its subgrantees shall not discriminate against any employee or applicant for employment in the performance of this Grant Agreement. The Grantee shall not discriminate with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment because of race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as a material breach of this Grant Agreement. Acceptance of this Grant Agreement also signifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability or status as a veteran.

The Grantee understands that the State is a recipient of federal funds. Pursuant to that understanding, the Grantee and its subgrantee, if any, agree that if the Grantee employs fifty (50) or more employees and does at least \$50,000 worth of business with the State and is not exempt, the Grantee will comply with the affirmative action reporting requirements of 41 CFR 60-1.7. The Grantee shall comply with Section 202 of Executive Order 11246, as amended, 41 CFR 60-250, and 41 CFR 60-741, as amended, all of which are incorporated herein by specific reference. Breach of this covenant may be regarded as a material breach of this Grant Agreement.

26) **Notices:** Whenever any notice, statement or other communication shall be sent to the State or Grantee, it shall be sent to the following addresses, unless otherwise specifically advised.

A. Notices to the State shall be sent to:

Commissioner
Department of Workforce Development
10 North Senate Ave., IGCS, 3rd Floor
Indianapolis, Indiana 46204

B. Notices to the Grantee shall be sent to:

C. Payments to the Grantee shall be sent to:

27) **Order of Precedence:** Any inconsistency or ambiguity in this Grant Agreement shall be resolved by giving precedence in the following order: (1) this Grant Agreement, (2) Exhibits prepared by the State, and (3) Exhibits prepared by the Grantee.

28) **Penalties, Interest and Attorney Fees:** The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest, or attorney's fees, except as required by Indiana law, in part, IC 5-17-5-1 *et seq.*, IC 34-54-8-5 *et seq.*, and IC 34-13-1-6 *et seq.* Notwithstanding the provisions contained in IC 5-17-5, the parties stipulate and agree that any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

29) **Property Management:** Title to all non-expendable personal property acquired with funds provided herein shall immediately become the property of the State upon delivery of such property by the vendor in accordance with the applicable Federal OMB circulars and the State Property Management Policy.

30) **Repayment:** The Grantee and, if applicable, its Guarantor are responsible for the repayment of costs determined to be disallowed in accordance with applicable statutes, regulations, directives or mandates. Repayment of such costs shall be made within thirty (30) calendar days of the final audit determination and, unless agreed to in writing by the State, shall be repaid from non-Federal funds. Responsibility of the Grantee, as set forth herein, shall not release any insurer or bonding company from any contractual duty to reimburse the insured, the State, or the obligee.

31) **Taxes.** The State is exempt from state, federal and local taxes. The State will not be responsible for any taxes levied on the Grantee as a result of this Grant.

32) **Termination for Cause:** The State may terminate this Grant Agreement or withhold payments for a material violation of a term or condition of this Grant Agreement, upon delivery of written notice to the Grantee of termination or withholding of payments. A material violation includes:

- a) Improper use of funds in connection with this Grant Agreement as reasonably determined by the State.
- b) Reasonable determination by the State that the successful performance of this Grant Agreement is improbable or infeasible.
- c) Termination or suspension of availability of federal funds for the performance of this Grant Agreement as reasonably determined by the State.
- d) Inability of the Grantee to repay any cost found to be disallowable by final audit resolution.
- e) Any other material failure to comply with a term or condition of this Grant Agreement as reasonably determined by the State.
- f) Failure to take proper corrective action in a timely manner as determined by the State.

33) Termination for Convenience: The State may terminate this Grant Agreement, for any reason or no reason, at any time upon delivery of written notice by certified mail to the other party at least sixty (60) calendar days prior to the effective date of termination.

34) Lobbying Activities:

- a) Pursuant to USC § 1352, and any regulations promulgated thereunder, Grantee hereby assures and certifies, and will require any subcontractor or subgrantee to assure and certify, that no federally appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in conjunction with the awarding of any federal grant, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
- b) If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this grant, Grantee and any subcontractor shall complete and submit "Standard Form LLL" ("Disclosure Form to Report Lobby").

35) Complete Agreement: This Grant Agreement, including all attachments, is the complete agreement between the parties, notwithstanding prior discussions or documents.

36) Statutory Authority of Grantee: The Grantee expressly warrants to the State that it is statutorily eligible to receive the funds granted herein, and it expressly agrees to repay all monies paid to it under this Grant Agreement should a legal determination of its ineligibility be made by any court of competent jurisdiction.

37) Non-Collusion and Acceptance: The undersigned attests, subject to the penalties for perjury that he/she is the representative, agent, member or officer of the Grantee, that he/she has not, nor has any other member, employee, representative, agent or officer of the firm, company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into

or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid any sum of money or other consideration for the execution of this Grant Agreement other than that which appears upon the face hereof.

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The parties, having read and understanding the foregoing terms of this Grant Agreement, do by their respective signatures dated below hereby agree to the terms thereof.

GRANTEE:

Organization Name

CEO Signature

Typed or Printed Name

Date

WIB Chair Signature

Typed or Printed Name

Date

**INDIANA DEPARTMENT OF
ADMINISTRATION:**

David Perlini, Commissioner

Date

**INDIANA DEPARTMENT OF
WORKFORCE DEVELOPMENT:**

Alan D. Degner, Commissioner

Date

STATE BUDGET AGENCY:

Marilyn F. Schultz, Director

Date

APPROVED AS TO FORM AND LEGALITY:

Form approval has been granted by the Office of
the Attorney General pursuant to IC 4-13-2-14.3(e)
on December 5, 2002

EXHIBIT A
REED ACT FUNDS

1. Applicable Statutes and Regulations

- (a) Section 209 of the Temporary Extended Unemployment Compensation Act of 2002 (which is Title II of the federal Jobs Creation and Workers Assistance Act of 2002, Pub.L107-147);
- (b) Title IX of the Social Security Act (42 USC 1101-1110);
- (c) 29 USC 49, the Wagner-Peyser Act;
- (d) 26 USC 3304, Federal Unemployment Tax Act (FUTA);
- (e) TEGL 18-01, Use of Reed Act Distribution
- (f) TEGL 24-01, Suggested Uses of Reed Act Distribution for Administrative Purposes
- (g) 646 IAC 2-1-19
- (h) 20 CFR 652.207-208
- (i) Indiana Department of Employment and Training Act (IC 22-4 et seq.) and accompanying rules, regulations and policy directives.

2. Assurances

- (a) The Grantee agrees to comply with the Uniform Conflict of Interest Standards for Workforce Investment Boards (WIB) issued by the State.
- (b) The Grantee assures that no grant funds will be expended prior to full approval of the local Reed Act Plan by the Indiana Department of Workforce Development.
- (c) The Grantee assures that all grant funds will be used in accordance with the fully-approved local Reed Act Plan as approved by the Indiana Department of Workforce Development.
- (d) The Grantee will not expose participants to surroundings or working conditions which are unsanitary, hazardous or dangerous; participants employed or trained for inherently dangerous occupations shall be assigned to work in accordance with reasonable safety practices.
- (e) The Grantee assures service providers will be selected in a manner consistent with applicable law and State policy and that documentation supporting the procurement will be kept for review.

EXHIBIT B

PROJECT STATEMENT

The Grantee assures that grant funds will be used in accordance with the local Reed Act Plan that is approved by the Indiana Department of Workforce Development.

EXHIBIT C

REED ACT GRANT

YEAR OF ALLOCATION P03

GRANT NUMBER:

FUNC TION	OBJ/ SUBJ	PROJ CODE	COST CATEGORY	BUDGET
000	75/00	8725	Reed Act	

DWD Commissioner's Directive 2003 - 02
Attachment B

Reed Act Allocation amount by Workforce Service Area

Workforce Service Area	PY '03 Reed Act Allocation
Northwest Indiana	\$515,534
Center of Workforce Innovation	\$223,935
Northern Indiana Partnership	\$346,161
Northeast Indiana	\$439,402
Tecumseh Area Partnership	\$142,542
North Central	\$170,671
Madison-Grant	\$146,926
East Central	\$189,974
Western Indiana	\$144,545
Circle Seven	\$203,389
Indianapolis Private Industry Council (Marion County)	\$656,191
Southeastern	\$179,104
Shawnee Trace	\$179,806
South Central	\$127,324
Southwest	\$183,157
Southern Seven	\$151,339